



Office of the
Utah State Auditor

Financial Report Reviews

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SUBMISSION PROCESS OVERVIEW



Submission

Review

Correspondence

Agenda

Financial Report Reviews

AUXILIARY REPORTS

- SEFA, SESA
- Impact Fee Report

EXCESS FUND BALANCE

- How to Calculate the Maximum Fund Balance
- How to Correct an Excess Fund Balance

Auxiliary Reports

Schedule of Expenditures of Federal and State Awards

- SEFA
 - Required if Federal Expenditures are > \$500,000
 - Does not include contracts for services
 - A-133 Report
- SESA
 - New for any year end Dec 31, 2013 and beyond
 - Required if State money received **of any type** is > \$500,000
 - This includes Class B & C road funds



Auxiliary Reports

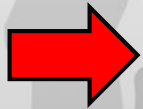
Impact Fee Reports

- Required if your entity **collects** Impact fees
 - Not required if your entity receives pass-through impact fees
- Proper Financial Presentation is important
 - What entity is collecting the fees?
- UCA 11-36a-601

“A local political subdivision that collects an impact fee shall:

(5) produce a report that:

4-Parts
Required



1. *identifies impact fee funds by the year in which they were received,*
2. *the project from which the funds were collected,*
3. *the impact fee projects for which the funds were budgeted,*
4. *and the projected schedule for expenditure;”*

EXCESS FUND BALANCES...



Excess Fund Balance

Governmental Funds Balance Sheet

Fund balances:

Restricted:

Municipal services	820,518	820,518	820,518
Emergency 911 service	546,245	546,245	546,245
Liquor distribution	23,435	23,435	23,435

Committed:

Health	427,416	427,416	427,416
Parks and recreation	830,964	830,964	830,964
Library	8,573	8,573	8,573
Convention bureau	781,283	781,283	781,283
Tourist and recreation	1,498,210	1,498,210	1,498,210

Assigned:

Health	1,183,138	1,183,138	1,183,138
Parks and recreation	226,909	226,909	226,909
Library	1,290,755	1,290,755	1,290,755
Convention bureau	1,040,327	1,040,327	1,040,327
Tourist and recreation	740,648	740,648	740,648

Unassigned

	7,776,138		7,776,138
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Total fund balances	7,776,138	10,619,509	18,395,647
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Total liabilities and fund balances	\$ 9,423,338	\$ 11,045,129	\$ 20,468,467
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General
Fund

Excess Fund Balance

How to Calculate

Committed + Assigned + Unassigned

MUST BE LESS THAN:

**A maximum % of General Fund Revenues
calculated as follows...**

Excess Fund Balance

How to Calculate

Entity	Maximum % of General Fund Revenues		
City (UCA 10-6-116)	25%		
Town (UCA 10-5-113)	75%		
County (UCA 17-36-16)	50%	20% (if >\$750M taxable value & >100,000 population)	
Special Service District (UCA 17B-1-612)	50%	25% (if General fund budget >\$100K)	100% of current year property tax

Excess Fund Balance

New Legislation

S.B. 18 of the 2014 General Session

“The accumulation of a fund balance may not exceed XX% of the total ~~estimated~~ revenue of the general fund for the current fiscal period”



Excess Fund Balance

Suggestions to Correct an Excess Fund Balance

1. Send the money back to taxpayers
2. Lower the tax rate
3. Transfer to a capital projects fund
 1. Develop a meaningful long term capital project



QUESTIONS

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